THE THIRD DAY.

14th February 1913.

SUBJECTS.

The Assembly met at 11 A. M. on Friday, the 14th February 1913.

(3) SALT REVENUE.

23. The desirability of opening salt pans on the eastern shores of the Kayankulam backwater.

Mr. A. Krishna Pillai (Member, Trading Classes, Kayankulam) stated that the salt pans in the *pakuthies* of Kanthalur and Muthukulam were closed in 1040 M. E. and the area covered by them was registered in the names of private persons and was now under cultivation. But, owing to the saltish nature of the soil, paddy did not thrive well and portions of the lands were converted into cocoanut topes. From Dhanu to the middle of Edavam in the year, salt formed itself in the lands and on their bunds. The people in the neighbourhood removed the salt clandestinely for drying fish and for cocoanut manure. The salt taken from those fields was said to possess medicinal properties and was superior in quality to the salt manufactured in South Travancore and other places. The fact that salt was being produced there was within the knowledge of the Excise Department, and even recently, some persons were prosecuted for illicitly removing the salt. There were about 428 acres of land available in the place, and the owners of those lands would be willing to lease them to the Government, if the latter would open and work salt pans there. If that were done, he said that the salt produced there, together with the quantity manufactured in the *alloms* in the other parts of the State, would meet the requirements of the people, and the import of Bombay salt could gradually be dispensed with.

[Under the direction of the Dewan, the Excise Commissioner explained to the Member that, prior to the year 1040, there were what were called *padanays* on the sides of the Kayankulam backwater. The salt produced there was of dark colour, as it contained a large admixture of mud and other impurities, and was inferior in quality to the salt made from the sea in the factories in South Travancore. The latter was therefore being sold at a higher price than the former. By the Interportal Trade Convention of 1865, the sale price of salt in Travancore was assimilated with that in British India. It was thought to be unjust to the consumer to raise the price of the inferior salt produced from the *padanays* so as to bring it on a par with the sale price under the Convention, and as the soil was found to be quite unsuited for the production of pure salt, the *padanays* had to be abolished. It would thus be seen that it was after much experiment that the thing was given up.]

The Member continued and said that the salt was not really inferior. He requested that at least a small area of

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SUBJECTS.

50 acres might be taken up by the Government and the manufacture of salt tried there as an experimental measure before the idea was given up. If the experiments proved successful, the people themselves would thereafter take up the remaining area for salt manufacture.

Dewan's reply.—Noted.

(4) CUSTOMS REVENUE.

24. The need for discouraging the import of such foreign articles as compete with local manufactures and the export of certain articles by levying duties on them.

Mr. V. Krishna Iyer (Member, Trading Classes, Kottar) said that poverty in the State was increasing day by day, and one of the causes was that several industries for which the State afforded ample scope were not being effectively carried on as in other civilised countries. The time had therefore come when the State should hold out all possible facilities for the development of industries in the country. He deplored the fact that, while $3\frac{1}{2}$ crores of rupees worth of things was being exported, the State had nevertheless to look to foreign countries for as much as three-fourths of its daily necessaries, for, about $5\frac{1}{2}$ crores of rupees worth of articles was being imported from outside. As instances, he mentioned jaggery, copra, poonac, bones etc., which were exported from the State on a light duty. Many of the imported goods had no import duty also. With a view to develop the industries within the State and encourage local manufacture, he submitted the following proposals for the consideration of the Government :—

(1) that no export duty should be levied on the *manufactured* articles leaving the State ;

(2) that the export duty on the raw materials of the State and on paddy and rice leaving the country should be fixed at the maximum admissible under the Interportal Trade Convention ; and

(3) that a prohibitive import duty should be levied on the manufactured goods and other foreign articles that came into the country and competed with the local manufactures.

Dewan's reply.—Under the Interportal Trade Convention entered into with the British Government, the Darbar has to follow the British Indian Tariff in regard to the values and rates of duty on imports from foreign countries, excepting tobacco, salt, opium and spirits. Hence the Member's request to levy prohibitive import duties cannot, if any case, be complied with.

As regards the export duties, the duty that this Darbar can levy under the Convention cannot exceed 5 per cent *ad valorem*, except in the case of timber, on which the duty can go up to, but cannot exceed, 10 per cent. In the case of poonac, there is already an export duty of 5 per cent on a tariff valuation of Rs. 5 per cwt. There is at present an export duty on rice and paddy, but no rice or paddy is, however, being exported now.

25. The improvement of the commerce of the State with special reference to the development of its seaports.

Mr. D. Francis (Member, Nominated) said that the poverty of the country was due to its backward condition in regard to commerce and industry. The commerce of the country was now mainly confined to places within the State. He

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